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**Redefining Boundaries:
Political Liberalization in the Arab World**

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DRAFT NOTES

While the end of the Cold War brought with it hope for a positive change around the world and did actually stimulate tangible progress in some developing countries, the MENA region seems to have remained relatively unaffected. Important social and economic mutations have taken place in the region in the last two decades, but the political and economic systems have been very slow at adapting—if at all—to them. The globalization phenomenon and the latest wave of democratization do not seem to have affected the region positively. In many countries, entirely new generations are governed by old elites that are having increasing difficulty in maintaining the internal status quo and containing the forces of change.

Economic reforms have failed to overhaul most economic structures and the state remains the most important agent and determinant of economic activity. The political system is still largely unchanged in spite some movement toward political liberalization. Civil society remains as elusive as democracy, and state power is always in the hand of powerful monarchies, civilian-military coalitions, and conservative bureaucrats. Power is largely exercised in an authoritarian way, and the official discourse continues to pay lip service only to the notions of free elections and democracy. A token moderate opposition may be allowed to thrive here and there, but any radical challenge has usually been met with a swift and harsh repression.

However, these general observations do not mean that the MENA region has been frozen in time or unmoved by internal and external forces of change. Change has been happening, but it has been less positive than it could be, and less dramatic than it may have been if the policy choices made were more adequate and if the regional and international environments have been more encouraging and less restraining and threatening. The case of Algeria serves as a good illustration of this.

This paper address the crisis that Algeria has been experiencing and the economic and political reforms it has been attempting to implement as a response to such crisis. Since the political crisis was largely the result of an economic crisis, political reforms cannot be address without examining, at the same time, the reforms undertaken at the economic level.

Algeria has been facing serious political and economic difficulties since the late 1980s. Today, however, it appears to be slowly coming out a decade-long mayhem characterized by a very violent conflict, economic decline and political instability. Political violence, which has taken the lives of close to 200,000 people in 10 years, has drastically diminished and aggregate economic indicators have substantially improved. Recent reports from the IMF and the World Bank indicate that Algeria was one of few countries to have contributed to an unprecedented rise in economic growth rate (5.6%) for the entire MENA region. However, these positive developments do not necessarily mean that Algeria's crisis is over. There are still occasional killings by a few remaining armed Islamist groups and the social and economic conditions of most people have not improved. Most of the necessary economic reforms have not been tackled yet, and political change has been too slow to meet the increasing demand for a meaningful political participation, transparency, accountability and the protection of basis freedoms.

ALGERIA'S ECONOMIC CRISIS AND REFORMS

The Algerian crisis resulted from mounting socio-economic difficulties in the 1980s, which in turns were caused by numerous factors, including a failing state-centered economic system; the authoritarian nature of the political system; and external economic shocks.

After independence, and as capitalism was eschewed because of its association with inequality, injustice, and colonialism, Algeria opted for a socialist model of development which put all responsibility in the hands of the state in the areas of both production and service. The state became responsible for production, employment, welfare and social protection. After its initial success in getting economic development under way and basic social needs satisfied, the development strategy started showing signs of limitation and exhaustion. By 1979, the negative aspects and effects of a state-centered development based on oil-rent became apparent. They included a bloated bureaucracy, distribution bottlenecks, a rampant inflation, structural dislocations, and a poor agricultural performance, which, in turn, stimulated

urban migrations, food scarcity and a growing income inequality. This strategy had also produced a society that was very dependent on the state for everything without being required to be productive.

In the early 1980s, the state attempted a series of homemade reforms, which failed to halt the decline. These reforms were ill conceived, incoherent, and poorly implemented. As such, they contributed to worsening the economy and social conditions. Industrial investment fell by 21 per cent between 1980 and 1981 alone, and imports decreased by 35 per cent. Many industrial projects were shelved and several international contracts were canceled.

When the world oil prices fell by 40% in 1986, the situation became critical for a state and a society that depended almost exclusively on oil revenue. By 1988, the industrial output had dramatically declined and public enterprises had a total deficit of \$18.5 billion.¹ The state was almost bankrupt and social inequality had increased to a point where five per cent of the population took 45% of the national income while 50% of the population shared less than 22% of such income.² Inflation hit an annual rate of 42% while 22% of the work force had become unemployed. As 125,000 more workers--mostly in the public sector--were laid off by 1991, the social situation reached a critical low point.³ Furthermore, corruption spread throughout state institutions, and the external debt increased to \$26,557 billion by 1991, with an export-earning ratio of 193% and a servicing ratio of 73.7%.⁴

As a result of the initial reforms and reduced resources throughout the 1980s, the state retreated from some economic and social service areas and even law and order. This led to the worsening of the social conditions for the less fortunate, the development of a black market, illegal activities, higher crime rates, corruption and the spread of moral and behavioral restrictions in public places by uncontrolled Islamist groups.

It was in this context that, in October 1988, that Algeria experienced the worst riots since independence. After an initial state repression, which left 500 people dead within a week, the governing elite suddenly engaged the country in a sweeping political liberalization that ended the rule of the one-party system and opened the way to a variety of political organizations and to an unprecedented freedom of expression and association.

Even though this sudden and substantial political opening did not last long (1989-1991), it nevertheless carried the seeds of some fundamental changes that were going to affect the evolution of the country for the following years. It did not amount to amount to a regime change, but contributed to a substantial and irreversible transformation of the political map of Algeria. (See Political Reforms section below)

Algeria's development challenges were further compounded by increasing poverty, among rural and urban populations, which was exacerbated by the lack of employment, empowerment and access to social services.

Also, over the years, the ruling elite consolidated its political power through control of economic rent and some of its members resisted liberalization. The resistance to change came also from public company managers, top bureaucrats, labor unions, and some powerful civilian and military individuals who benefited from the de-factor monopolies they set from themselves in the lucrative import-export sector and from the economic protectionism.

Besides this strong resistance to necessary reforms, the war waged by the Islamists starting 1992 was going to slow down the non-oil economic activities and to throw more people into poverty as a result of the destruction of economic and social infrastructure and of massive displacements of population in several hotbeds of the rebellion. Some studies have estimated more than one million people were displaced and that their large majority is still displaced. "Despite government incentives, most are discouraged to return by the security situation and lack of basic infrastructure in their home villages."⁵

Structural Adjustment: Excellent Aggregate Results, But . . .

In this already difficult context, and because of it, the government, in exchange for debt rescheduling, accepted in 1994 a Structural Adjustment Program sponsored by the IMF and the World Bank. Among the many measures entailed by the program, those with a direct social impact included the lifting of price

controls; the ending of price subsidies for basic consumption items; the introduction of fees for education and health services; and the layoff of workers as a result of the restructuring, selling or closing of public enterprises.

Since 1994, stringent austerity measures and good hydrocarbon revenues have helped stabilize the declining economy and improve aggregate national indicators. The inflation rate was brought down from 30 per cent in 1995 to 0.3% in 2000 and 2.8% in 2003. The state budget went from a deficit of 9% of the GDP in 1993 to a surplus of 9.9%. The balance of trade surplus went from \$4.1 billion in 1996 to \$12.3 billion in 2001⁶ and \$11.5 billion in 2003. The hard currency reserves increased from \$1.5 billion in 1993, to \$23 billion in 2003⁷ and probably around \$30 billion in 2004. The capacity of the country to repay its external debt improved markedly and the total amount owed decreased from \$33.23 billion in 1996 to \$22 billion in 2002; debt servicing went from consuming 45% of export revenues in 1998 to 20% in 2001⁸ and 18% in 2003.

In contrast to the substantially positive results they generated at the aggregate level, stabilization and restructuring policies had many negative effects on the socio-economic conditions of a large number of people. “Ordinary people have derived almost no benefit from these riches. The poverty gap has widened...”⁹ In 2002, the National Economic and Social Council (CNES) indicated that “the economic and social circumstances have not experienced . . . a significant inflection, in spite of the consolidation of the financial bonanza.”¹⁰ Even worse, the 2004 Human Development Report of the United Nations Development Program (UNDP) ranks Algeria 108th in the Human Development Index in a list of 177 countries.

The reforms imposed more hardship on people with fixed and low incomes and the unemployed. Between 1994 and 1998, 360,000 workers were laid off. Restructured public companies lost 164,283 employees—one third of their workforce. The largest loss of employment was in the productive sectors (mostly in industry and construction). The unemployment rate reached 30% in 1998, hitting mostly the young.¹¹ Female unemployment rose to 38% as more women started looking for jobs.¹² Among the unemployed, 68% are young first-time job seekers who were thrown out of school prematurely.¹³ There are today some 100,000 unemployed school graduates.

Algeria’s population of 31 million has a growth rate 1.8% and a fertility rate of 2.45 children per women. Forty per cent of the population is under 15 years of age and 70% below 30. Most of the unemployed today are youth under age 25. To absorb the newcomers in the labor market, the economy would need to grow at a sustained rate of 7% to 8% for several years, and must create at least 300,000 a year. If not enough jobs are created to keep up with the demand, Algeria will remain the country with the highest unemployment rate in the region’s states and risk another social and political explosion in the near future.

The Informal Economy

Because of the hardship caused by a massive exclusion from the formal job market, employment in the informal sector increased tremendously in the last ten years, reaching 17% of all employed people in 2003, up from 15% in 1999, and it continues to increase. If agricultural is excluded, this share reaches 21.9%. In 2001, it employed around 1.321 million people.

According to the World Bank, this sector’s employment has grown at 11% a year between 1992 and 1996, while formal employment grew at by only 2%. The main employment activities in the informal sector are the service sector, construction and public works, and manufacturing and assembly. Moreover, 64% of employers do not subscribe to the mandatory social security contributions, and many of them pay their worker well below the minimum wage.¹⁴ In addition to employment, all transactions in hundreds of informal markets are estimated today to account for 35% of total commerce activity in the country. The loss for the treasury is estimated to be \$500 million a year in uncollected taxes.

The Reforms

For most of the last decade, and except for stabilization actions undertaken under the aegis of the international institutions, economic reforms remained vague and slow because of political instability, bureaucratic sluggishness of an inefficient bureaucracy, as well as resistance to change coming from some members of the power elite, the unions, and the managers of state companies. The country was frozen in time in the face of a fast and dangerous decline. The only thing that was realized was making the country solvent again thanks to the structural adjustment agreement. Almost nothing was being done about restructuring the economy. It is only after political stability returned with the election of Bouteflika as president, that some relatively substantial discussion about a host of reforms has been engaged.

The Reforms Basket since 1999

Reforming the state

After having consolidated his power position in the system, President Bouteflika started tackling some major problems such as the inefficacy and lack of transparency of the public administration, in particular, and the state institution in general. Even before then, and because of his belief that one of the sources of Algeria's ills is the state itself, he created in November 2000 a committee for Structures and Missions Reforms whose objective was to study and evaluate all aspects of the foundations, organization and functioning of the state and to propose state-wide reforms. He also, started tackling corruption and money laundering (the case of Khalifa Airways, among others), the reform of the educational system, and that of the judicial system. Action in all these areas has not been completed and is proceeding at a slow pace.

Resuming Development

In 2002, the government initiated a special \$7 billion investment plan for economic revival between 2002 and 2004, and \$50 billion between 2004 and 2009. The investments will be made primarily in new housing construction, roads and agriculture. It is feared, however, that this massive injection of capital in the economy may not have the expected effects because most of the money will be used for infrastructural development, not production and employment creation.

On January 15, 2000, Finance Minister Abdelhamid Benachenhrou announced the plans of reforms in the areas of taxation, the management of public expenditures and public debt and the banking system. Steps toward these reforms, especially taxation and the banking system, have been moving very slowly.

Last year, the government announced that the economy had grown by a healthy 6.8% rate in 2003. This was mostly due to a 27% agriculture growth rate and an 8% rate in the energy sector. The industrial sector, which has been declining in the last decade, grew by 1.2% only. When hydrocarbons and agriculture are excluded, the economy's growth rate was 4.4% only, thanks to the construction (5.8%) and services (5.7%) sectors.

According also to government figures, unemployment declined for the first time in 2003. It was 23.7%, down from 35% in the previous years. In addition, 905,000 new jobs were recently created in the productive sector within the previous four years. However, since 300,000 new jobs must be created every year in order to meet the yearly new demand for employment, this job increase fall short of such need.

Privatization

It has also moved slowly even though Algeria needs to balance its healthy levels of foreign investment in oil and gas with non-oil-sector investment in order to avoid the pitfall of 1986. In 2000, the government announced a sweeping plan for the privatization of public companies. Even the Sonatrach, the single, state-owned, hydrocarbons company, was no longer taboo and would be eventually open to private

capital. The monopoly of state in the telecommunications sector—telephone and internet—is also set to end.

In February 2005, the government announced the list of 942 public enterprises to be partially or totally privatized, out of total of 1,280. The only exceptions announced were those of the giant oil and gas company, Sonatrach, the railways company SNTF, and the Press and Communication Group, all three deemed strategic for the time being. Banks are not on the list yet, but the government has not excluded the possibility of their sale to the private sector.

Trade Liberalization

Trade liberalization is still at an infant stage, as the country keeps resisting openness until its non-oil economy gets on its feet. However, the Free Trade Association with the European Union signed last year will put increased pressure to liberalize trade sooner rather than later. Furthermore, Algeria's desire to join the World Trade Organization will increase that pressure.

Agriculture

Agriculture has enjoyed a marked recovery from its crisis of the 1980s and 1990s. Such recovery was aided by changes in the old restrictive laws on land ownership and exploitations and on product marketing, as well as major public investments in the creation of jobs and production units. Improvement in the country's income made such recovery possible as some \$1.2 billion were invested through the new National Agricultural Development Plan (PNDA). However, in contrast to supports given to other sectors of the economy, this one is far below its needs. In spite of that, in 2003, the agricultural output grew by a 23.88%, up from 8% two years earlier.¹⁵ In spite of this market progress, the country is in dire need for an agribusiness infrastructure for food processing, notably since there is a rising demand for its products. While the state is not interested in investing in it, private operations remain small and in need of encouragement.

POLITICAL REFORMS

The political reforms initiated in 1989 included constitutional amendments and new laws that allowed the birth of a multiparty system, independent associations and a free press. This liberalization brought to the fore new political formations that proved capable of mobilizing the masses around a host of issues, including regime change itself. Among them, only two types of organization proved to be powerful, resilient and constantly challenging: the Islamist and the Berber parties and associations.

The Islamists

While the Berber-based organizations have been hindered by their limited social and geographic base (i.e., ethnic militants in a small region), the Islamist organizations proved to be more appealing and more powerful because of their much wider appeal and their call for a radical change. They welcomed the political opening and formed several parties, including the Front of Islamic Salvation (FIS), which won overwhelmingly in the first multiparty local elections of June 1990, upstaging thereby the ruling party, the National Liberation Front (FLN). Encouraged by the momentum of this electoral victory and by their rising popularity, the Islamists demanded the full implementation of the promises on political opening, mainly free elections for a new president and parliament. Before the government gave in to the last demand, a wide Islamist-sitting in Algiers was violently broken up by the police and the two leaders of the banned FIS were arrested and later sentenced to a 12-year jail term. In the first round of parliamentary elections held on December 26, 1991, the FIS captured 188 out of 430 parliamentary seats,

with 47.28% of all votes, while the FLN obtained 15 seats only and The Front des Forces Socialistes (FFS)—a Berber-based party—won 26 seats.

Fearing an Islamist-controlled parliament, the military pushed president Bendjedid to resign in January 1992, canceled the electoral results, banned the FIS and arrested thousands of Islamist militants.¹⁶ The government's repression and recanting on its promise of political liberalization led the Islamist opposition to go underground and resume the strategy of political violence that was initiated in the 1980s by Mustapha Bouyali.

The conflict forestalled any hope of a genuine political opening and an end to the authoritarian rule that has characterized Algeria since its independence in 1962. It also halted economic development and contributed to a drastic decline by causing a substantial destruction of social and economic infrastructures and by isolating the country from its economic partners. Political violence was directed against not only the state, but also civilians opposing the religious groups or suspected by them of collaborating with the state,¹⁷ and foreigners. The government's response to the Islamist violence also left scores of people dead, jailed, or unaccounted for.

According to several reports by various international organizations, the Islamists, especially the notorious Armed Islamist Groups (GIA) and the Salafist Group for Preaching and Combat (GSPC) accounted for most of the killings and destruction, but government security forces were also blamed for abusing human rights and failing to protect civilians from attacks.

Since 1992, four presidents (Mohamed Boudiaf who was assassinated in June 1992, Ali Kafi, Liamine Zeroual who resigned before his term ended, and Abdelaziz Bouteflika), and several prime ministers and their respective cabinets, took turns in trying to solve the multi-dimensional crisis faced by Algeria.

It was only in 1997 that hope appeared for an end to the tragedy. In that year, the government brokered an amnesty deal with one of the major armed groups, the Islamic Army of Salvation (AIS). The AIS unilaterally halted its operation until a formal deal was made in 1999 when President Bouteflika's "National Concord" law amnestied thousands of armed rebels. However, other deadly groups, such as the GIA and the GSPC, refused to surrender and continued their violent attacks.

The Berber Militants

With regards to the demands of Berber militants, Berber the 1996 constitutional amendments recognized that the Algerian identity has Arab, Islamic and Amazigh ingredients. Also, a High Council for Amazigh Culture was set up in May 1995 and teaching of Tamazight was allowed to develop. However, a recent showdown between the militants and the governments has focused on several issues, including that of making Berber a national and official language. The government acquiesced to this demands but plans on submitting the change to a referendum, something that the Berberists reject. The Berber challenge has lost much of its energy since it was reinvigorated in 2001, but remains a potentially destabilizing phenomenon.¹⁸

The Impact of Political Reforms

Several political changes and reforms have taken place since the mid-1990s. They were attempts to diffuse the Islamist rebellion, but they did not succeed in that until the end of that decade. There were two multiparty presidential elections in 1995 and 1999, a major constitutional amendment in 1996, and parliamentary and municipal elections in 1997 and 2002.

The 1996 constitutional reform was expected to help establish a new legitimacy for the political system and strengthen the new political institutions, but many amendments were too controversial to stimulate the much-wished-for consensus. While declaring Islam the state's religion, the amended constitution prohibited the creation of parties on a "religious, linguistic,

racial, gender, corporatist or regional” basis and the use of partisan propaganda based on these elements. The reform also created a second parliamentary chamber, “the Council of the Nation,” the third of which is appointed by the president and the rest elected by indirect suffrage. Finally, the powers of the president were reinforced over those of parliament and the prime minister.

In 1997, parliamentary election reinstated parliamentary life—which was suspended in 1992—and allowed two moderate Islamist parties, the *Harakat Muftam’a al-Silm* (Movement of Society for Peace, MSP) and *Harakat al-Nahda*, known as Ennahda, to win respectively 69 and 34 seats out of 380 and to control seven ministerial posts in the government. In a paradoxical turn of events, the MSP of Mahfoud Nahnah ended up being part of a coalition government that included the conservative FLN and the new pro-establishment party, the National Democratic Rally (RND), which was created a few months earlier to lend support to President Liamine Zeroual. This alliance of convenience became known as “the islamo-conservative” alliance.

In spite of all these changes, the crisis did not subside and the political system did not improve on the earlier efforts at political liberalization. However, the bulk of Algerian Islamists changed their style and discourse and seemed to have given up on revolutionary change by violence. The movement reverted to the reformist strategy (*Islah*) and accepted to work within the confines of the nation-state (rather than Islamic *Umma* at large) and within the limits of the constitution; it also seems to have reconciled itself with the idea of democracy, women’s inclusion and political tolerance. However, a remaining small Islamist faction, represented by the Salafist tendency, still holds ultra conservative views and has not given up on revolutionary change.

Contrary to people’s hopes, the institutional changes and elections that took place since the mid-1990s has not ended the crisis and did not move Algeria closer to stability, security and democracy. These changes did not amount to a fundamental change notably because the regime remained unaffected and the power configuration among the ruling elite and between them and society did not change substantially.

In April 2004, President Abdelaziz Bouteflika’s sweeping re-elections was attributed mostly to his ending of the Islamic uprising through the “National Concord” law. He recently proposed a second amnesty for the remaining rebels who want to surrender. Meanwhile, the continuing insurgency means that Algeria’s crisis is not wholly over; also, some fundamental constitutional questions remain unresolved, such as the role of the military in politics, the presidential prerogatives, judicial independence and, more generally, the problem of establishing law-bound government.

Along with the drastically curtailed political violence, the revived legislative and electoral processes have brought back some sense of normalcy as presidential succession through multi-candidate balloting has become institutionalized. Even the supremacy of the military in political and economic affairs seems to have been reduced after the resignation in August 2004 of the top military leader, General Mohamed Lamari.¹⁹ This resignation may have ushered in a transfer of more actual power to the civilian presidential institution, and the beginning of a slow professionalization of the military establishment. With the improved security situation, the army began to acknowledge that it should end its political dominance and let the civilian leadership more latitude, while remaining the guardian of the republican order. When that become a full and tangible reality, Algeria would have made a major step toward a genuine change.

CONCLUSION

The Algeria of today does not have much in common with that of the 1960s and 1970s. It has also come a long way since the height of the multidimensional crisis of the 1990s, but still has a lot to do in order to regain its balance and resume growth and development in a stable political and social environment.

The state is caught in the difficult role of having to resolve a deep socio-economic crisis while, at the same time, continue opening the economy to global capital, enacting more austerity measures, and maintaining a strict budgetary discipline. In other words, the neo-liberal agenda for development has put

the state on a collision course with society, as witness by recent series of strikes in the public sector, and recurring village unrests.

In the face of increasing challenges from nature (flooding in 2001 and earthquake in 2003), society, and the international environment, the Algerian state and its ruling elite are pressed to heed calls for urgent actions to stop the degradation of the social, economic and security conditions. Transition theory and empirical evidence suggest that as the economy deteriorates and the state is unable to halt the decline, its bargaining power diminishes while that of the opposition increases. If this generalization holds in the case of Algeria, the economic crisis, in combination with recurrent societal unrest, may extract from the ruling elite the necessary concessions for a meaningful change. Only when that change brings about stable representative institutions that are accountable to voters and empowered to make tangible decisions, would consequent and adequate social and economic policies become possible in Algeria. In other words, real change in the social and economic arenas requires a substantial change in the command structure and the institutional setting.

The country may be today at a crossroad: it will either pick up the pieces and move toward a brighter, peaceful and democratic future, or descend into yet another cycle of violence and terror which may tear the country into pieces run by self-proclaimed emirs, warlords and ethno-nationalists.

Even the most optimistic observer cannot help but note that the road ahead is going to be difficult and long. An optimist may see Algeria as having come a long way from the days when it was a country pacified by oil-rent subsidies and welfare offered by an authoritarian rule that drew legitimacy from the war of independence and the distributive policy.

Now that the subsidies and the welfare benefits have been drastically curtailed, society is no longer docile, and the authoritarian rule has slightly retreated as a result of a series of assaults against it at home and from abroad. This optimistic perspective on Algeria's evolution since the 1980s admits that the road ahead is likely to be difficult and long.

Even though the essential nature of the regime has not changed yet after these past traumatic years and the reforms that followed them, society has changed; it is better armed to defend its interests and is no longer afraid to challenge the ruling establishment.

The Islamists played a major role in affecting this change. The Islamist mobilization politicized a huge number of young people who came to realize that change required their active involvement. Unfortunately, when that involvement changed from charitable work, Da'wa and peaceful street protest, to an armed rebellion, the Islamist movement, instead of being the factor of change which it had started out to be, turned into a factor of regression because they resorted to violence against innocent civilians because they stimulated a violent state response and major restrictions on the newly acquired political freedoms.

Given the ideological underpinning of mainstream Islamism, given the nature and resiliency of the authoritarian rule, and given the rebellious nature of the Algerian society, the immediate future is likely to be a difficult one. For a substantial positive change to happen in the country, there is a need for the constitution of a wide democratic front that would have to push for peaceful change with a disarming persistence. Before they can be part of such front, the Islamists and the seculars must change the way they perceive and relate to each other, and must also agree on a minimal plan of action.

The Islamists would have to decide whether they could live with the following three requirements: a man-made constitutional order that is characterized by the rule of a law accepted by all; tolerance of opposing views and beliefs; and regular leadership change by way of elections. It is only under these conditions that democratization could survive the Islamists' participation.

The seculars, in turn, would have to accept the fact that political Islam will remain a very important actor in Algerian politics and society and, therefore, expect Islam to play some substantial role in the way the country is governed. Finding a compromise between the two tendencies will be challenging but not impossible.

As for the incumbent leaders, in order not to be swept from power by a much bigger social and political earthquake than the one has just happened, they need to head to calls for responsiveness and

change that are emanating from society every day by way of peaceful protests and violent outbursts in many towns and villages around the country.

The longer the economic and social crises lasts, and the more the living conditions worsen for most people, the more attractive open rebellion will again become. The ability of the incumbent regime to solve these crises and halt the dangerous erosion of its legitimacy and that of the state is thus crucial for the curtailment of the revolutionary fervor and appeal which the Islamists may still have or which other groups may acquire.

The solution to the problems faced today by the average Algerian resides in major changes in many areas, including the economy and the political system and culture. The system has to be more inclusive and in a meaningful way. Since the Islamist tendency is strongly imbedded in the social and ideological landscape of Algeria, its moderate expression ought to remain in the political process. This will help marginalize radical tendencies while lending more legitimacy to such process. Also, the incumbent elite may find it useful to put an end to the marginalization of the secular opposition, commonly known as the “democratic opposition,” for it will be more than helpful in balancing off the Islamist tendency.

The current inclusion of some opposition forces in the political process is a positive development, even it has not yet been consequential. It is certainly a far cry from an earlier period when such opposition was solely shunned and repressed. Reversing the inclusionary trend can carry a heavy price and may no longer be an option.

APPENDIX

Results of the 1997 and 2002 Parliamentary and Municipal Elections

Table 1. Party Results of the Parliamentary Elections of May 30, 2002.

Party	Number of votes	% of valid votes	Number of Seats
FLN	2,618,003	35.27	199
MRN/El-Islah	705,319	9.5	43
RND	610,461	8.23	47
MSP/HMS	523,464	7.05	38
Independents	365,594	4.92	30
PT	246,770	3.3	21
FNA	113,700	1.53	8
Ennahda	48,132	0.65	1
PRA	19,813	0.27	1
MEN	14,465	0.19	1
Total Valid Votes:	7,420,867		

Source: Constitutional Council (3 June 2002) posted online at
<http://www.mae.dz> and www.elwatan.com

Table 2. Voter Participation in the Parliamentary Elections of May 30, 2002

Registered voters	17,951,127
Actual number of voters	8,288,536
Number of spoiled ballots	867,669
Total valid votes	7,420,867
Participation rate (national and international)	46.17%
Participation rate (Algerians abroad only)	20.84%

Source: Algerian Ministry of Foreign Affairs and Algérie Presse Service,
online at <http://www.mae.dz> and www.aps.dz

Table 3. Results of the 1997 and 2002 Parliamentary Elections

Party	1997 % of Votes	2002 % of Votes	1997 Seats	2002 Seats
RND	38.1	8.23	156	47
MSP/HMS	16.7	7.05	69	38
MRI/Ennahda	9.9	0.65	34	1
MRN/Al-Islah	--	9.5	--	43
FLN	16.1	35.27	62	199
FFS	5.7	--	20	--
RCD	4.8	n/a	19	n/a
PT	2.1	3.33	4	21
Independents	5	4.92	11	30

Total seats in the APN: 380 in 1997, 389 in 2002.

Note: MRN/*El-Islah* was created in 1998, and the FFS and RCD boycotted the 2002 elections.

Sources: <http://www.mae.dz>, <http://electionworld.org/election/algeria.htm>

Table 4. Results of the Municipal Elections of October 10, 2002

Parties	Votes	Seats	Percentage
FLN	2 501 003	4878	36.60
RND	1 263 461	2827	21.21
ISLAH	960 218	1237	9.28
HMS	679 674	989	7.42
Independents	456 628	869	6.52
FFS	198 023	684	5.13
FNA	279 937	532	3.99
PRA	199 341	305	2.29
AHD 54	120 136	206	1.55
MNJA	84 011	126	0.95
RA	70 905	114	0.86
MEN	70 847	112	0.84
Ballot 105	64 000	91	0.68
RPR	44 707	65	0.49
RA	43 852	64	0.48
NAHDA	57 487	50	0.38
UDL	33 188	47	0.35
RNC	33 476	44	0.33
PRP	26 713	41	0.31
MJD	13 439	19	0.14
Ballot 161	14 317	14	0.11
MNE	7 796	6	0.05
RUN	6 224	6	0.05
ALLIANCES	3 851	3	0.02
TOTAL	7,233,234	1,3329	100

Source: Ministry of Interior and Local Collectivities, posted online on October 11, 2002.

Table 5. Voter Participation in the Municipal Elections of October 10, 2002

Registered voters:	15 566 397
Actual number of voters	7 800 763
Total valid votes:	7 233 234
Number of spoiled ballots:	567 529
Percentage of voter turnout:	50.11%

Source: Algerian Ministry of Foreign Affairs and Algérie Presse Service, online at <http://www.mae.dz> and www.aps.dz

List of Some Political Parties

FLN	Front de Libération Nationale (National Liberation Front)
FFS	Front des forces Socialistes
FNA	Front National Algérien
MEN	Mouvement de l'Entente Nationale
MJD	Mouvement pour la Jeunesse et la Démocratie
MNE	Mouvement National D'espérance
MNJA	Mouvement National de la Jeunesse Algérienne
MRN/ <i>al-Islah</i> :	Mouvement de la Réforme Nationale/ <i>Harakat al-Islah al-Watani</i>
MSP/HMS:	Mouvement de la Société pour la Paix/ <i>Harakat Moujtama'a al-Silm</i>
PRA	Parti du Renouveau Algérien
PRP	Parti Republicain Progressiste
PT	Parti des Travailleurs
RA	Rassemblement pour l'Algérie
RCD	Rassemblement pour la Culture et la Démocratie
RNC	Rassemblement National Constitutionnel
RND	Rassemblement National Démocratique
RPR	Rassemblement Patriotique Republicain
RUN	Rassemblement pour l'Unité Nationale
UDL	Union pour la Démocratie et les Libertés

NOTES

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- ¹ Abed Charef, *Octobre*, (Algiers: Laphomic Editions, 1990), p. 16.
- ² *El Moudjahid*, (January 29, 1990).
- ³ Zakya Daoud, "L'Economie du Maghreb en Difficulté," *Le Monde Diplomatique*, (June 1991), p. 26.
- ⁴ The World Bank, *World Bank Report 1993*, (New York: Oxford University Press, 1993).
- ⁵ "Profile Of Internal Displacement: Algeria." A report compiled from the Global Internally Displaced Populations Database of the Norwegian Refugee Council, online at <http://www.idpproject.org>.
- ⁶ Arezki Daoud, "Algeria Outlook." *North Africa Journal*, (September 1997); "Algeria's Trade Surplus Reach \$7.5 Billion For the First eight Months of '01," *The North Africa Journal*, (29 September, 2001), online at <http://www.north-africa.com>.
- ⁷ Commissariat à la planification, Office Nationale des Statistiques, Banque d'Algérie, ECOtechnics. Online at www.Algeria-interface.com, March 29, 2004.
- ⁸ "Algeria-Global Economy," *The North Africa Journal*, 116, (21 November, 2001). Online at journal@gis.net. Accessed 21 November, 2001.
- ⁹ Ignacio Ramonet, "Algeria: The Unforgiven," *Le Monde Diplomatique*, July 2001.
- ¹⁰ National Economic and Social Council, *Rapport sur la économie et sociale du 1^{er} semestre 2002* (Algiers : CNES 2002), online at <http://cnes.dz>, quoted in Ivan Martin, "Algeria's Political Economy (1999-2002) ; An Economique Solution to the Crisis?" *The Journal of North African Studies* 8:2, Summer 2003, p. 35.
- ¹¹ *Liberté* [Algeria], "La Mauvaise Note du CNES," April 13, 1998, p. 3.
- ¹² Conseil National Economique et Social, *Rapport National Sur le Développement Humain 1998*, (Algiers: CNES, May, 1999), p. 46.
- ¹³ Ibid.
- ¹⁴ "Sizing the Informal Sector in Algeria," *The North Africa Journal*, August 4, 2004.
- ¹⁵ "Algeria: Agriculture Output Up 24% in 2003. \$1.2 Billion Poured in Agriculture in the Past 3 Years," *The North Africa Journal* 147 (June 2004, published online on July 14, 2004). The figure given here might be slightly different from those given by the government or other sources.
- ¹⁶ It became known later that, President Bendjedid and some FLN leaders, after learning the preliminary results of the first round of the 1991 parliamentary elections, began negotiating with the Islamists a cohabitation scheme according to which Bendjedid would keep the presidency, the Islamists would control non-strategic ministries such as education, justice and religious affairs, and the FLN would have the technical ministries. The military leadership did not agree to that.
- ¹⁷ The Islamist violence began well before the cancellation of the 1992 elections, from the time of the Bouyali actions in the 1980s, to the attack in November 1991 against border guards in Guemmar, near the Tunisian border, by a group of "Afghans" (name given to Algerian veterans of the war in Afghanistan).

¹⁸ For more on this, see Azzedine Layachi, "Ethnicité et politique en Algérie: Entre inclusion et particularisme berbère," in *Naqd* (a journal of social critique), December 2004 ; Azzedine Layachi, "The Berbers in Algeria: Politicization of Ethnicity and Ethnicization of Politics," in Maya Shatzmiller, Ed., *Nationalism and Minority Identities in Islamic Societies*, (McGill University Press, 2005); and "Que veulent les Berbères?", in *Jeune Afrique - L'Intelligent*, Paris, 24 April 2001.

¹⁹ Lamari was replaced by Major General Ahmed Gaïd Salah as Chief of Staff of the National Popular Army (ANP).